

**P-8-2 (Formerly P-8-49)**

**Approved: 01-05-2007**

**(1) New issues not to be raised unless material:**

An issue, on which the taxpayer and the Service are in agreement, should neither be reopened by Appeals nor should a new issue be raised, unless the ground for such action is a substantial one and the potential effect upon the tax liability is material. The existence of unreported income, deductions, credits, gains, losses, etc. stemming from a tax shelter which is a listed transaction constitutes such a substantial ground with a material effect upon the tax liability.

(2) Signed: Kevin M. Brown, Deputy Commissioner for Services and Enforcement